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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA,)
Plaintiff)
)
v.) CIVIL ACTION NO. 99-30225-MAP ✓
)
GENERAL ELECTRIC COMPANY,)
Defendant)

COMMONWEALTH OF MASSACHUSETTS,)
Plaintiff)
)
v.) CIVIL ACTION NO. 99-30226-MAP
)
GENERAL ELECTRIC COMPANY,)
Defendant)

STATE OF CONNECTICUT,)
Plaintiff)
)
v.) CIVIL ACTION NO. 99-30227-MAP
)
GENERAL ELECTRIC COMPANY,)
Defendant)

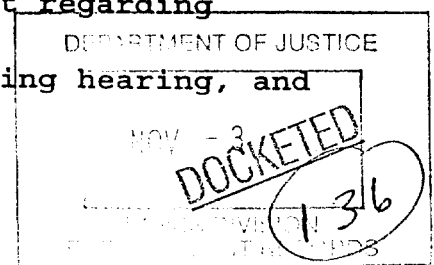
MEMORANDUM AND ORDER RE ENTRY OF CONSENT DECREE
AND FINAL JUDGMENT

October 31, 2000

PONSOR, D.J.

Counsel for all parties, including intervenors, appeared
before this court on October 27, 2000 for argument regarding

entry of the Consent Decree in this case. Following hearing, and



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for the reasons set forth in open court, the court ordered entry of the Consent Decree ("Decree"). The court's reasons, in summary, are that the Decree is fair, reasonable, consistent with the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and in the public's interest. United States v. Cannons Engineering Corp., 899 F.2d 79, 85 (1st Cir. 1990) (trial court's review of settlements under CERCLA limited to whether reasonable, fair, and loyal to the statute); United States v. Comunidades Unidas Contra La Contaminacion, 204 F.3d 275, 280 (1st Cir. 2000) (same).

"Fairness" in the "CERCLA settlement context" includes both procedural and substantive elements. Cannons Engineering Corp., 899 F.2d at 86. Procedural fairness tests the negotiation process for its candor, openness and bargaining balance. Here, the Decree was procedurally fair because the parties engaged in lengthy, good-faith, arms-length discussions with sophisticated counsel and neutral third parties. Moreover, they made significant efforts to solicit and respond to public input.

Substantive fairness assesses whether the party legally responsible will bear the cost of the cleanup. See id. at 87. Here, the Decree is substantively fair because General Electric Company ("GE") will undertake a comprehensive cleanup program,

and will reimburse the Government for most of the cost, which is estimated between \$300-700 million. GE will also spend approximately \$25 million as part of a natural resource damages component of the settlement.

The "reasonableness" of a settlement involves at least the following three factors. See id. at 89-90. First, the Decree is likely to be effective in cleaning the environment. Second, it satisfactorily compensates the public for actual and anticipated remedial and response measures. And third, it properly reflects the relative strengths and weakness of the Government's litigation position.

Here, the Decree is reasonable because it satisfies these factors. First, giving proper deference to the Environmental Protection Agency's technical judgments, the Decree will provide an adequate and effective cleanup. It includes twenty eight separate cleanup actions, twenty five outside the Housatonic River, covering over 300 acres, and three River cleanup actions. Second, the Decree provides adequate compensation because the Government will recover from GE ninety to ninety-seven percent of the expected cleanup costs, and the Decree includes a natural resource damages package worth approximately \$25 million. In addition, the Government will continue to investigate and where

appropriate order cleanups for newly discovered contamination.

Third, the Decree appropriately reflects the inherent risks involved in this type of complex environmental action.

Finally, the Decree is consistent with goals of CERCLA and in the public's interest. The Decree promptly and effectively protects human health and the environment by providing a comprehensive and expeditious cleanup of the contamination at issue. See id. at 90. Moreover, it requires the responsible party to pay for the cleanup, and provides finality to a complex environmental action. See id. at 90-91.

For the foregoing reasons, the clerk is hereby ordered to enter judgment in accordance with the terms of the Consent Decree.

It is So Ordered.

A handwritten signature in cursive script, reading "Michael A. Ponsor", written in dark ink.

MICHAEL A. PONSOR
U. S. District Judge